

ORIGINAL

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**State Bar Court of California**  
**Hearing Department**  
**Los Angeles**  
**DISBARMENT**

**PUBLIC MATTER**

<p>Counsel For The State Bar</p> <p>Adriana M. Burger  Deputy Trial Counsel  1149 S. Hill Street  Los Angeles, CA 90015</p> <p>Bar # 92534</p>	<p>Case Number(s):  12-J-13193</p>	<p>For Court use only</p> <p align="center"><b>FILED</b></p> <p align="center">JUL 16 2012</p> <p align="center">STATE BAR COURT  CLERK'S OFFICE  LOS ANGELES</p>
<p>In Pro Per Respondent</p> <p>Stephen Randall Harris  417 W. Plumb Lane  Reno, Nevada 89509</p> <p>(702) 786-7600</p> <p>Bar # 64176</p>	<p>Submitted to: <b>Settlement Judge</b></p> <p>STIPULATION RE FACTS, CONCLUSIONS OF LAW AND  DISPOSITION AND ORDER APPROVING; ORDER OF  INVOLUNTARY INACTIVE ENROLLMENT</p> <p><b>DISBARMENT</b></p> <p><input type="checkbox"/> PREVIOUS STIPULATION REJECTED</p>	
<p>In the Matter of:  STEPHEN RANDALL HARRIS</p> <p>Bar # 64176</p> <p>A Member of the State Bar of California  (Respondent)</p>		

**Note:** All information required by this form and any additional information which cannot be provided in the space provided, must be set forth in an attachment to this stipulation under specific headings, e.g., "Facts," "Dismissals," "Conclusions of Law," "Supporting Authority," etc.

**A. Parties' Acknowledgments:**

- (1) Respondent is a member of the State Bar of California, admitted June 27, 1975.
- (2) The parties agree to be bound by the factual stipulations contained herein even if conclusions of law or disposition are rejected or changed by the Supreme Court.
- (3) All investigations or proceedings listed by case number in the caption of this stipulation are resolved by this stipulation and are deemed consolidated. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation consists of (17) pages, not including the order.
- (4) A statement of acts or omissions acknowledged by respondent as cause or causes for discipline is included under "Facts."

(Effective January 1, 2011)

Disbarment



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- (5) Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of Law."
- (6) The parties must include supporting authority for the recommended level of discipline under the heading "Supporting Authority."
- (7) No more than 30 days prior to the filing of this stipulation, respondent has been advised in writing of any pending investigation/proceeding not resolved by this stipulation, except for criminal investigations.
- (8) Payment of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & 6140.7. (Check one option only):
- ☒ Costs to be awarded to the State Bar.
- ☐ Costs are waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs".
- ☐ Costs are entirely waived.
- (9) ORDER OF INACTIVE ENROLLMENT:  
The parties are aware that if this stipulation is approved, the judge will issue an order of inactive enrollment under Business and Professions Code section 6007, subdivision (c)(4), and Rules of Procedure of the State Bar, rule 5.111(D)(1).

**B. Aggravating Circumstances [for definition, see Standards for Attorney Sanctions for Professional Misconduct, standard 1.2(b)]. Facts supporting aggravating circumstances are required.**

- (1) ☐ Prior record of discipline
- (a) ☐ State Bar Court case # of prior case
- (b) ☐ Date prior discipline effective
- (c) ☐ Rules of Professional Conduct/ State Bar Act violations:
- (d) ☐ Degree of prior discipline
- (e) ☐ If respondent has two or more incidents of prior discipline, use space provided below:
- (2) ☒ **Dishonesty:** Respondent's misconduct was surrounded by or followed by bad faith, dishonesty, concealment, overreaching or other violations of the State Bar Act or Rules of Professional Conduct. Please see stipulation attachment "Mitigation/Aggravation", page 7.
- (3) ☒ **Trust Violation:** Trust funds or property were involved and respondent refused or was unable to account to the client or person who was the object of the misconduct for improper conduct toward said funds or property. Please see stipulation attachment "Mitigation/Aggravation", page 7.
- (4) ☐ **Harm:** Respondent's misconduct harmed significantly a client, the public or the administration of justice.
- (5) ☐ **Indifference:** Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct.

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- (6) ☐ **Lack of Cooperation:** Respondent displayed a lack of candor and cooperation to victims of his/her misconduct or to the State Bar during disciplinary investigation or proceedings.
- (7) ☒ **Multiple/Pattern of Misconduct:** Respondent's <sup>past SRV</sup> ~~current~~ misconduct evidences multiple acts of wrongdoing or demonstrates a pattern of misconduct. Please see stipulation attachment "Mitigation/Aggravation", page 7.
- (8) ☐ **No aggravating circumstances** are involved.

**Additional aggravating circumstances:**

**C. Mitigating Circumstances [see standard 1.2(e)]. Facts supporting mitigating circumstances are required.**

- (1) ☒ **No Prior Discipline:** Respondent has no prior record of discipline over many years of practice coupled with present misconduct which is not deemed serious. Please see stipulation attachment "Mitigation/Aggravation", page 7.
- (2) ☐ **No Harm:** Respondent did not harm the client or person who was the object of the misconduct.
- (3) ☒ **Candor/Cooperation:** Respondent displayed spontaneous candor and cooperation with the victims of his/her misconduct and to the State Bar during disciplinary investigation and proceedings. Please see stipulation attachment "Mitigation/Aggravation", page 7.
- (4) ☒ **Remorse:** Respondent promptly took objective steps spontaneously demonstrating remorse and recognition of the wrongdoing, which steps were designed to timely atone for any consequences of his/her misconduct. Please see stipulation attachment "Mitigation/Aggravation", page 7.
- (5) ☒ **Restitution:** Respondent paid \$ \_\_\_\_\_ on \_\_\_\_\_ in restitution to \_\_\_\_\_ without the threat or force of disciplinary, civil or criminal proceedings. Please see stipulation attachment "Mitigation/Aggravation", page 7.
- (6) ☐ **Delay:** These disciplinary proceedings were excessively delayed. The delay is not attributable to respondent and the delay prejudiced him/her.
- (7) ☐ **Good Faith:** Respondent acted in good faith.
- (8) ☒ **Emotional/Physical Difficulties:** At the time of the stipulated act or acts of professional misconduct respondent suffered extreme emotional difficulties or physical disabilities which expert testimony would establish was directly responsible for the misconduct. The difficulties or disabilities were not the product of any illegal conduct by the member, such as illegal drug or substance abuse, and respondent no longer suffers from such difficulties or disabilities. Please see stipulation attachment "Mitigation/Aggravation", page 7.
- (9) ☐ **Severe Financial Stress:** At the time of the misconduct, respondent suffered from severe financial stress which resulted from circumstances not reasonably foreseeable or which were beyond his/her control and which were directly responsible for the misconduct.
- (10) ☐ **Family Problems:** At the time of the misconduct, respondent suffered extreme difficulties in his/her personal life which were other than emotional or physical in nature.

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- (11) ☐ **Good Character:** Respondent's good character is attested to by a wide range of references in the legal and general communities who are aware of the full extent of his/her misconduct.
- (12) ☐ **Rehabilitation:** Considerable time has passed since the acts of professional misconduct occurred followed by convincing proof of subsequent rehabilitation.
- (13) ☐ **No mitigating circumstances** are involved.

**Additional mitigating circumstances:**

**D. Discipline:        Disbarment.**

**E. Additional Requirements:**

- (1) **Rule 9.20, California Rules of Court:** Respondent must comply with the requirements of rule 9.20, California Rules of Court, and perform the acts specified in subdivisions (a) and (c) of that rule within 30 and 40 calendar days, respectively, after the effective date of the Supreme Court's Order in this matter.
- (2) ☐ **Restitution:** Respondent must make restitution to \_\_\_\_\_ in the amount of \$ \_\_\_\_\_ plus 10 percent interest per year from \_\_\_\_\_. If the Client Security Fund has reimbursed \_\_\_\_\_ for all or any portion of the principal amount, respondent must pay restitution to CSF of the amount paid plus applicable interest and costs in accordance with Business and Professions Code section 6140.5. Respondent must pay the above restitution and furnish satisfactory proof of payment to the State Bar's Office of Probation in Los Angeles no later than \_\_\_\_\_ days from the effective date of the Supreme Court order in this case.
- (3) ☐ **Other:**

**ATTACHMENT TO**

**STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION**

IN THE MATTER OF:       STEPHEN RANDALL HARRIS

CASE NUMBER(S):       12-J-13193

**FACTS AND CONCLUSIONS OF LAW.**

Respondent admits that the following facts are true and that he is culpable of violations of the specified statutes and/or Rules of Professional Conduct.

Case No. 12-J-13193 (Discipline in Other Jurisdiction)

**PROCEDURAL BACKGROUND IN OTHER JURISDICTION:**

1. On or about February 24, 2012, the Supreme Court for the state of Nevada ordered that Respondent be disciplined upon findings that Respondent had committed professional misconduct in that jurisdiction as set forth in the Order of Suspension Case Number 57507. Thereafter, the decision of the foreign jurisdiction became final.

2. A certified copy of the final order of disciplinary action of the foreign jurisdiction is attached, and incorporated by reference.

3. A copy of the statutes, rules or court orders of the foreign jurisdiction found to have been violated by Respondent is attached and incorporated by reference.

**FACTS:**

4. Between January 2008 and September 2009, Respondent misappropriated approximately \$788,000 by numerous unauthorized withdrawals from his client trust accounts and his firm's general client trust account, using the funds for his personal gain.

5. On November 5, 2009, Respondent self-reported his misconduct to the Nevada State Bar.

6. Prior to his Nevada disciplinary hearing, Respondent repaid all of the money to the client trust accounts, with interest, and denied himself access to his firm's business and trust accounts.

**CONCLUSIONS OF LAW:**

7. The disciplinary proceeding in the other jurisdiction provided Respondent with fundamental constitutional protection.

8. Respondent's conduct in the other jurisdiction as set forth above would warrant the imposition of discipline in California as violation(s) of the following: Rules of Professional Conduct rule 4-100(A)(4) and Business and Professions Code section 6106.

SRH

## PENDING PROCEEDINGS.

The disclosure date referred to, on page 2, paragraph A(7), was June 7, 2012.

## MITIGATION/AGGRAVATION.

**Dishonesty, trust violations, and multiple acts and pattern of misconduct:** Respondent misappropriated approximately ~~\$677,000~~ <sup>\$788,000</sup> by numerous unauthorized withdrawals from his firm's client trust and general accounts, and concealed the events for twenty-one months, from January 2008 through September 2009, constituting multiple acts of dishonesty and trust account violations.

**No prior discipline:** Respondent is licensed in Nevada and California. Respondent has no prior discipline in the State of California in thirty three years of practice.

**Candor/cooperation:** Respondent self reported his misconduct to the Nevada State Bar and displayed spontaneous candor and cooperation upon self-reporting his misconduct.

**Remorse/restitution:** Respondent has expressed remorse and promptly took steps to repay the misappropriated funds with interest prior to his Nevada disciplinary hearing.

**Emotional difficulties:** The Nevada State Bar decision on discipline reported that Respondent was alcohol dependent and suffered emotional problems which contributed to these events. Respondent successfully completed treatment for alcoholism and other mental disorders.

## AUTHORITIES SUPPORTING DISCIPLINE.

### Applicable Standards:

2.2(a): Misappropriation of entrusted funds shall result in disbarment. The funds misappropriated are considered to be significant. No exception exists to support a lesser sanction.

2.3: Moral Turpitude, Fraud, And Dishonesty: Respondent misappropriated and concealed approximately \$788,000 over a one and one half year period of time. The clients were unaware.

1.6: The more serious discipline will apply. Both allegations are extremely serious. Standards 2.2 and 2.3 apply in this matter. The most severe sanction is found at standard 2.2(a) which recommends disbarment for willful misappropriation of entrusted funds unless the amount misappropriated is insignificantly small or unless the most compelling mitigating circumstances clearly predominate, in which case the minimum discipline recommended is a one-year actual suspension.

### Relevant Case Law:

In *Kaplan v. State Bar* (1991) 52 Cal.3d 1067, the misconduct was the "grievously improper" intentional misappropriation of \$29,000 from the attorney's own law firm. Kaplan had practiced for 12 years without prior discipline, suffered from emotional problems, marital stress, and the terminal illness of his mother-in-law. Despite making full restitution upon being confronted with the misappropriation, Kaplan was disbarred.

Misappropriation of client funds is a grievous breach of an attorney's ethical responsibilities and generally warrants disbarment unless the most compelling mitigating circumstances clearly predominate. (See *Grim v. State Bar* (1991) 53 Cal. 3d 21, 29, disbarred on a \$5,546 misappropriation; *Chang v. State Bar* (1989) 49 Cal. 3d 114, 128, disbarred on a \$7,000 misappropriation; *Kelly v. State Bar* (1988) 45 Cal. 3d 649, 656, disbarred on a \$19,000 misappropriation; *Gordon v. State Bar* (1982) 31 Cal.3. 748, 757 disbarred on an aggregate misappropriation of \$27,000, and *In the Matter of Blum* (Review Dept. 1994) 3 Cal. State Bar Ct. Rptr. 170, disbarred on a \$55,000 misappropriation (no priors over ten years of practice).

The Supreme Court gives the standards "great weight" and will reject a recommendation consistent with the standards only where the court entertains "grave doubts" as to its propriety. (*In re Silverton* (2005) 36 Cal.4th 81, 91-92; *In re Naney* (1990) 51 Cal.3d 186, 190.) The standards are not mandatory; they may be deviated from when there is a compelling, well-defined reason to do so. (*Bates v. State Bar* (1990) 51 Cal.3d 1056, 1061, fn. 2; *Aronin v. State Bar* (1990) 52 Cal.3d 276, 291.) There is no reason, however, to deviate from the standards in this case, with the extreme amount misappropriated.

*In the Matter of Spaith* (1996) 3 Cal. State Bar Ct. Rptr. 511 the attorney was found culpable of misappropriating approximately \$40,000 from a client and misleading the client regarding the status of the money for over a year. In mitigation, the attorney demonstrated good character; provided community service and other pro bono activities; and cooperated with the State Bar by admitting his wrongdoing and stipulating to the facts and culpability. In addition, the attorney had no prior record of discipline in over 15 years of practicing law. In aggravation, the attorney's misconduct involved multiple acts of wrongdoing. This ruling is applicable in this matter because the Respondent carried on and concealed the misappropriation, for at least one and one half years. The Review Department in *Spaith* ultimately found that the mitigating circumstances were not sufficiently compelling to justify a lesser sanction than disbarment when weighed against the attorney's misconduct and aggravating circumstances. Similarly, disbarment is also appropriate here.

Issues related to the discipline issued in the underlying matter: The Nevada State Supreme Court issued its order that Respondent was suspended for three months actual suspension. The question of whether the discipline has to be in line with the other jurisdiction was addressed in: *In the Matter of Kauffman* (2001) 4 Cal. State Bar Ct. Rptr. 213. In *Kauffman* the court found that the appropriate degree of discipline is not presumed by the other state's discipline, but is open for determination in this state. The discipline should be consistent with other matters with similar facts and circumstances. Here, the standard and matters with similar facts and circumstances support disbarment.

#### **COSTS OF DISCIPLINARY PROCEEDINGS.**

Respondent acknowledges that the Office of the Chief Trial Counsel has informed respondent that as of June 7, 2012, the prosecution costs in this matter are <sup>488</sup>\$2,797.00. Respondent further acknowledges that should this stipulation be rejected or should relief from the stipulation be granted, the costs in this matter may increase due to the cost of further proceedings.



IN THE SUPREME COURT OF THE STATE OF NEVADA

IN THE MATTER OF DISCIPLINE OF  
STEPHEN R. HARRIS, ESQ., BAR NO.  
1463.

No. 57507

**FILED**

FEB 24 2012

TRACE LINDSEY  
CLERK OF SUPREME COURT  
BY *[Signature]*  
CHIEF DEPUTY CLERK

ORDER OF SUSPENSION

This is an automatic review, pursuant to SCR 105(3)(b), of a Northern Nevada Disciplinary Board hearing panel's findings that attorney Stephen R. Harris violated two rules of professional conduct and its recommendation that Harris serve a three-year suspension with two years and nine months stayed if Harris complies with certain conditions. We conclude that clear and convincing evidence supports the panel's findings concerning Harris's misconduct. We also approve the panel's recommended discipline.

Harris and the Nevada State Bar do not dispute the facts that underlie this matter. Harris has been licensed to practice law in Nevada since 1974. Between January 2008 and September 2009, Harris misappropriated approximately \$788,000 from client trust accounts and his firm's general client trust account, using the funds for his personal gain.

On November 5, 2009, Harris self-reported his misconduct to the State Bar. The State Bar received no client or third-party complaints regarding Harris's misappropriation of the client trust funds. Prior to Harris's disciplinary hearing, Harris repaid all of the money to the client

trust accounts with interest, denied himself access to his firm's business and trust accounts, and allowed another attorney to supervise his performance on his cases. Harris continues to deny himself access to these accounts and receive supervision from another attorney. Harris also successfully completed treatment for alcoholism and other mental disorders.

The panel held Harris's disciplinary hearing on November 9, 2010. Because Harris admitted his misconduct, the panel focused on the aggravating and mitigating evidence in Harris's case and the appropriate discipline to recommend. At the hearing, Harris testified about his remorse for his behavior and his efforts at recovery. Harris's psychologist also testified that Harris's alcohol dependence and mental disorders caused his misconduct and that Harris's current treatment plan would arrest any further misconduct. Several other attorneys, including Harris's wife and law partner, testified on Harris's behalf as well. These attorneys discussed Harris's prior professionalism, his skill as a bankruptcy attorney, and the burden that a lengthy suspension would impose on Harris's family, existing clients, and the public. Finally, one of the two clients from whom Harris misappropriated funds submitted a written declaration expressing his belief that Harris should not be suspended from the practice of law and his desire to continue as Harris's client.

At the conclusion of the hearing, the panel found that Harris had violated RPC 1.15 (safekeeping of property) and RPC 8.4 (misconduct). Based upon these violations, four members of the panel recommended that Harris receive a three-year suspension with two years and nine months stayed if Harris complies with certain conditions. These conditions require that Harris (1) have no client trust account access

during the entire three-year suspension period; (2) have a mentor throughout the entire three-year suspension period, other than Jeffrey Hartman, Esq., and this mentor shall file a report with the State Bar every six months; (3) pay a \$50,000 fine to the State Bar's Client Protection Fund within one year of this order; (4) refrain from the use of alcohol or any other controlled substance, unless prescribed by a licensed medical doctor, throughout the three-year period; (5) continue with his outpatient recovery therapy and attendance at Alcoholics Anonymous, and submit to random alcohol/urinary analysis tests during the three-year suspension period, with his therapist submitting a report and test results to the State Bar on a quarterly basis; and (6) write a letter to each of the persons who had funds in the accounts which were misappropriated within 90 days of this order and include a copy of this order with the letter. The panel also recommended, pursuant to SCR 120, that Harris pay the costs of the disciplinary proceedings. The panel chair dissented from this recommendation because she was in favor of a harsher discipline.

Clear and convincing evidence supports the panel's findings of misconduct and the panel's recommended discipline is appropriate

While the findings and recommendations of a panel are persuasive, this court reviews a panel's decision recommending suspension de novo. SCR 105(3)(b); In re Stuhff, 108 Nev. 629, 633, 837 P.2d 853, 855 (1992). The findings of misconduct by the panel must be supported by clear and convincing evidence. SCR 105(2)(e); In re Stuhff, 108 Nev. at 635, 837 P.2d at 856. Because Harris admitted to the violations, we conclude that the panel's findings of misconduct are supported by clear and convincing evidence. Therefore, we must only determine the level of discipline to impose.

In determining the appropriate discipline to impose for a particular act of misconduct, we consider "all relevant factors and mitigating circumstances on a case-by-case basis." State Bar of Nevada v. Claiborne, 104 Nev. 115, 219, 756 P.2d 464, 531 (1988) (quoting Murray v. State Bar of California, 709 P.2d 480, 485 (Cal. 1985)). Thus, we may examine any aggravating and mitigating factors that apply to a particular case when determining the degree of discipline to impose. See SCR 102.5. In doing so, we must remember that the fundamental purpose of attorney discipline is not to impose additional punishment upon the attorney, but to protect the public and maintain public confidence in the bar. Claiborne, 104 Nev. at 219, 756 P.2d at 531 (citing In re Cochrane, 92 Nev. 253, 255, 549 P.2d 328, 329 (1976)).

The State Bar relies on several cases involving an attorney's intentional misappropriation of funds that resulted in the attorney's long term suspension or disbarment. See, e.g., In re Belz, 258 S.W.3d 38, 44-47 (Mo. 2008) (imposing a three-year suspension on attorney for misappropriating funds over four years even though attorney self-reported, suffered from bipolar disorder, and voluntarily repaid the amounts taken prior to the disciplinary proceedings); Attorney Grievance v. Weiss, 886 A.2d 606, 610, 618-20 (Md. 2005); In re Disciplinary Action Against Rooney, 709 N.W.2d 263, 272-73 (Minn. 2006). The State Bar further suggests that the record reveals several aggravating factors, including a dishonest or selfish motive, repeated instances of misappropriation over almost two years, and substantial experience in the practice of law. See SCR 102.5(1).

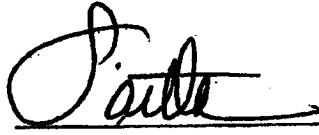
We agree with the State Bar that misappropriation of client funds is one of the most serious forms of misconduct that a lawyer can

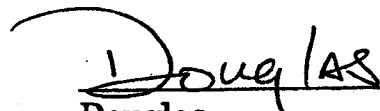
commit. See Weiss, 886 A.2d at 618 (calling the misappropriation of funds "one of the most egregious breaches of an attorney's duty"). However, we also recognize that Harris's case presents a unique set of circumstances involving substantial mitigating factors. Harris self-reported his misconduct, made full restitution of the misappropriated funds prior to his disciplinary proceeding, addressed his alcoholism and mental disorders, and expressed extreme remorse for his conduct. We also conclude that the State Bar's suggestion of adopting the panel chair's recommendation of a two-year suspension with additional conditions is not necessary to protect the public and maintain confidence in the State Bar. The panel's recommended three-year suspension with two years and nine months stayed if Harris complies with certain conditions is appropriate to serve the purposes of attorney discipline.

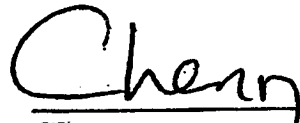
Accordingly, we suspend Harris for three years from the practice of law, beginning on the date of this order, with two years and nine months stayed if Harris complies with the panel's conditions. Given that two years and nine months of the suspension is stayed, Harris may apply for reinstatement pursuant to SCR 116 after three months. Additionally, he shall pay the \$50,000 fine within one year of this order to the State Bar's Client Protection Fund. Harris also shall pay the costs of the disciplinary proceeding, pursuant to SCR 120, within 30 days of receipt of the State Bar's bill of costs. Finally, Harris and the State Bar must comply with the applicable provisions of


SCR 115 and 121.1.

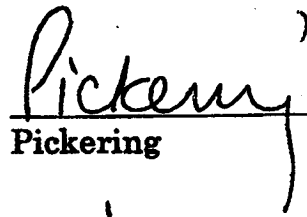
It is so ORDERED.<sup>1</sup>

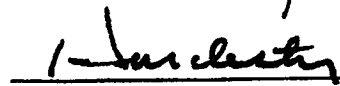
  
Saitta, C.J.

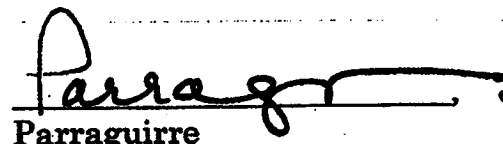
  
Douglas, J.

  
Cherry, J.

  
Gibbons, J.

  
Pickering, J.

  
Hardesty, J.

  
Parraguirre, J.

<sup>1</sup>This is our final disposition of this matter. Any new proceedings concerning Harris shall be docketed under a new docket number.

cc: Thomas Susich, Chair, Northern Nevada Disciplinary Board  
David Clark, Bar Counsel  
Kimberly K. Farmer, Executive Director  
Lemons, Grundy & Eisenberg  
Perry Thompson, Admissions Office, U.S. Supreme Court

## Rules of Professional Conduct for the State of Nevada

Rule 1.14 (formerly Supreme Court Rule 164) is the same as ABA Model Rule 1.14.

### **Rule 1.15. Safekeeping Property.**

(a) A lawyer shall hold funds or other property of clients or third persons that is in a lawyer's possession in connection with a representation separate from the lawyer's own property. All funds received or held for the benefit of clients by a lawyer or firm, including advances for costs and expenses, shall be deposited in one or more identifiable bank accounts designated as a trust account maintained in the state where the lawyer's office is situated, or elsewhere with the consent of the client or third person. Other property in which clients or third persons hold an interest shall be identified as such and appropriately safeguarded. Complete records of such account funds and other property shall be kept by the lawyer and shall be preserved for a period of seven years after termination of the representation.

(b) A lawyer may deposit the lawyer's own funds in a client trust account for the sole purpose of paying bank service charges on that account, but only in an amount necessary for that purpose.

(c) A lawyer shall deposit into a client trust account legal fees and expenses that have been paid in advance, to be withdrawn by the lawyer only as fees are earned or expenses incurred.

(d) Upon receiving funds or other property in which a client or third person has an interest, a lawyer shall promptly notify the client or third person. Except as stated in this Rule or otherwise permitted by law or by agreement with the client, a lawyer shall promptly deliver to the client or third person any funds or other property that the client or third person is entitled to receive and, upon request by the client or third person, shall promptly render a full accounting regarding such property.

(e) When in the course of representation a lawyer is in possession of funds or other property in which two or more persons (one of whom may be the lawyer) claim interests, the property shall be kept separate by the lawyer until the dispute is resolved. The lawyer shall promptly distribute all portions of the funds or other property as to which the interests are not in dispute.

[Added; effective May 1, 2006.]

Rule 8.3 (formerly Supreme Court Rule 202) is the same as ABA Model Rule 8.3 except that paragraph (c) of the Rule includes a specific reference to the Lawyers Concerned for Lawyers program established by Supreme Court Rule 106.5.

### **Rule 8.4. Misconduct.** It is professional misconduct for a lawyer to:

(a) Violate or attempt to violate the Rules of Professional Conduct, knowingly assist or induce another to do so, or do so through the acts of another;

(b) Commit a criminal act that reflects adversely on the lawyer's honesty, trustworthiness or fitness as a lawyer in other respects;

(c) Engage in conduct involving dishonesty, fraud, deceit or misrepresentation;

(d) Engage in conduct that is prejudicial to the administration of justice;

(e) State or imply an ability to influence improperly a government agency or official or to achieve results by means that violate the Rules of Professional Conduct or other law; or

(f) Knowingly assist a judge or judicial officer in conduct that is a violation of applicable rules of judicial conduct or other law.

[Added; effective May 1, 2006.]



(Do not write above this line.)

In the Matter of:  
STEPHEN RANDALL HARRIS

Case number(s):  
12-J-13193

### SIGNATURE OF THE PARTIES

By their signatures below, the parties and their counsel, as applicable, signify their agreement with each of the recitations and each of the terms and conditions of this Stipulation Re Facts, Conclusions of Law, and Disposition.

6/18/12  
Date

  
Respondent's Signature

STEPHEN RANDALL HARRIS  
Print Name

6/25/12  
Date

Respondent's Counsel Signature

Print Name

  
Deputy Trial Counsel's Signature

ADRIANA BURGER  
Print Name

(Do not write above this line.)

In the Matter of: STEPHEN RANDALL HARRIS	Case Number(s): 12-J-13193
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### DISBARMENT ORDER

Finding the stipulation to be fair to the parties and that it adequately protects the public, IT IS ORDERED that the requested dismissal of counts/charges, if any, is GRANTED without prejudice, and:

- ☐ The stipulated facts and disposition are APPROVED and the DISCIPLINE RECOMMENDED to the Supreme Court.
- ☒ The stipulated facts and disposition are APPROVED AS MODIFIED as set forth below, and the DISCIPLINE IS RECOMMENDED to the Supreme Court.
- ☐ All Hearing dates are vacated.

1. The sentence following the paragraph titled "Remorse/restitution" on page 7 is deleted, and in its place, the following sentence is inserted:

"Respondent has expressed remorse and fully repaid the misappropriated funds with interest prior to his Nevada disciplinary proceeding."

The parties are bound by the stipulation as approved unless: 1) a motion to withdraw or modify the stipulation, filed within 15 days after service of this order, is granted; or 2) this court modifies or further modifies the approved stipulation. (See rule 5.58(E) & (F), Rules of Procedure.) **The effective date of this disposition is the effective date of the Supreme Court order herein, normally 30 days after file date. (See rule 9.18(a), California Rules of Court.)**

Respondent Stephen Randall Harris is ordered transferred to involuntary inactive status pursuant to Business and Professions Code section 6007, subdivision (c)(4). Respondent's inactive enrollment will be effective three (3) calendar days after this order is served by mail and will terminate upon the effective date of the Supreme Court's order imposing discipline herein, or as provided for by rule 5.111(D)(2) of the Rules of Procedure of the State Bar of California, or as otherwise ordered by the Supreme Court pursuant to its plenary jurisdiction.

Date

7/16/12

  
RICHARD A. HONN

Judge of the State Bar Court

## CERTIFICATE OF SERVICE

[Rules Proc. of State Bar; Rule 5.27(B); Code Civ. Proc., § 1013a(4)]

I am a Case Administrator of the State Bar Court of California. I am over the age of eighteen and not a party to the within proceeding. Pursuant to standard court practice, in the City and County of Los Angeles, on July 16, 2012, I deposited a true copy of the following document(s):

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND  
ORDER APPROVING; ORDER OF INVOLUNTARY INACTIVE ENROLLMENT

in a sealed envelope for collection and mailing on that date as follows:

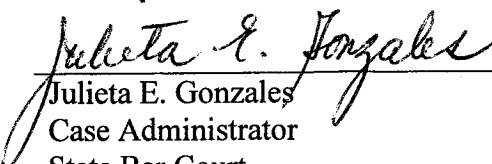
- ☒ by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

STEPHEN RANDALL HARRIS ESQ  
BELDING HARRIS & HODGE  
417 W PLUMB LN  
RENO, NV 89509

- ☒ by interoffice mail through a facility regularly maintained by the State Bar of California addressed as follows:

Adriana M. Burger, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in <select city>, California, on July 16, 2012.

  
\_\_\_\_\_  
Julieta E. Gonzales  
Case Administrator  
State Bar Court